2012 REVISED BUSINESS PLAN FACT SHEET

BETTER, FASTER, CHEAPER

The revised 2012 Business Plan outlines a strategy to improve statewide high-speed rail through:

- ***Better*** integration with existing regional systems;
- ***Faster*** improvements to infrastructure so Californians benefit more quickly;
- ***Cheaper*** construction costs that reduce estimates from $98 billion to $68.4 billion.

INTEGRATES BETTER WITH LOCAL TRANSPORTATION

High-Speed Rail (HSR) will integrate better with existing intercity and regional rail systems to:

- Improve existing infrastructure right now to move trains faster and safer;
- Integrate existing local rail services with high-speed rail; and
- Invest in Southern California, Northern California and Bay Area local rail systems right now to make those systems safer, faster and ready to connect to high-speed train service.

FIVE STEPS TO FASTER CONSTRUCTION

Step 1—Early Investments for immediate Statewide Benefit
Construction of dedicated HSR infrastructure begins in the Central Valley with the first segment of the Initial Operating Section (IOS). Service will launch in 2018, the current San Joaquin rail system will use this new infrastructure to cut travel time on the country's 5th busiest Amtrak line and connect with other regional commuter systems.

The revised business plan also makes immediate improvements to local rail systems using existing Prop 1A funding, future federal funds and other sources:

- Electrifies the Bay Area's Caltrain Corridor and improves key rail corridors in Southern California
- Links the San Joaquin, Altamont Commuter Express, Capitol Corridor and Caltrain systems; and
- Closes the existing rail gap between Bakersfield and Palmdale

Step 2—Initial High-Speed Rail Operations
The next step completes the 300-mile section from Merced to the San Fernando Valley. This service will operate without a subsidy, and will have potential to attract additional private investment for HSR system expansion. Service will launch in 2022.

Step 3— Electrified Bay to Basin System
The third step connects the Central Valley to San Jose, establishing a connection from the Bay Area to the Los Angeles basin. The upgraded Metrolink system will connect the San Fernando Valley and Los Angeles Union Station. Bay to Basin service launches in 2027.

Step 4—Phase 1 Blended System
In 2029, dedicated high-speed infrastructure will extend from the San Fernando Valley to Los Angeles Union Station, linking the upgraded Metrolink corridor to Anaheim and connecting to commuter and urban rail systems throughout the Los Angeles region.

Step 5—Phase 2
Phase 2 extends HSR to Sacramento and San Diego, completing the 800-mile statewide system.

COST REDUCTIONS

Completion of the Phase 1 blended system will cost $68.4 billion in year-of-expenditure dollars, down from $98 billion. Reductions are primarily attributable to blended infrastructure and revised inflation projections. Six billion dollars has been identified to fund the first segment of the IOS, including $3.3 billion in federal funding and $2.7 billion in voter-approved Proposition 1A bond proceeds.

RIDERSHIP

Projections are based on average HSR fares that are 83 percent of assumed San Francisco-Los Angeles one-way airfare of $97. High ridership scenarios assume a fuel price of $6.11 in 2030, with low scenarios assuming a fuel price of $2.60 in 2030. No operating subsidy will be required under any scenario.

Projected ridership (millions)

Scenario	2022	2026	2029
High ridership	5.0	12.3	24.2
Medium ridership	4.0	9.6	19.3
Low ridership	2.9	6.8	14.4
Breakeven	**2.3**	**2.5**	**6.1**

STRONG JOB CREATION

Construction of the first segment of the IOS is expected to generate 100,000 job-years of employment over five years. Building the Phase 1 blended system—the Bay Area to Southern California—is estimated to create 990,000 job-years over 15 years, an average of 66,000 annually.

ENVIRONMENTAL BENEFITS AND IMPROVED QUALITY OF LIFE

- 320 billion fewer vehicle miles traveled over 40 years
- 146 million hours in traffic saved annually
- CO2 emissions reduced by 3 million tons annually
- 237 million gallons of auto fuel will be saved annually
- 35 million gallons of aviation fuel will be saved annually

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